



7710-12

POSTAL SERVICE

39 CFR Part 551

Definition of Private Carrier for Premium PO Box Delivery

AGENCY: Postal Service™.

ACTION: Advanced Notice of Proposed Rulemaking.

SUMMARY: The Postal Service seeks customer and other stakeholder feedback to define the phrase “packages from private carriers,” as used in connection with PO Box Street Addressing. The Postal Service is contemplating an amendment to *Mailing Standards of the United States Postal Service*, Domestic Mail Manual (DMM®) to clarify the Street Addressing Additional Service available at many Premium Post Office Box Service locations.

DATES: Comments must be received on or before [INSERT DATE 60 DAYS AFTER DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

ADDRESSES: Mail or deliver written comments to the Manager, Product Classification, U.S. Postal Service, 475 L'Enfant Plaza SW, Room 4446, Washington, DC 20260-5015. Email comments and questions to *ProductClassification@usps.gov* using the subject line “Street Addressing at Premium PO Box Service Locations.” Faxed comments will not be accepted.

FOR FURTHER INFORMATION CONTACT: Derek F. Hatten, Sr. Retail Services Specialist, Retail Partners and Services, 202-268-6919, *derek.f.hatten@usps.gov*.

SUPPLEMENTARY INFORMATION: On June 17, 2010, the Postal Regulatory Commission (PRC) approved the initial request of the Postal Service to transfer some Post Office Box (PO Box[™]) Service locations from the market dominant list to the competitive product list (see Order No. 473, Order Approving Request to Transfer Selected Post Office Box Service Locations to the Competitive Product List, PRC Docket No. MC2010-20). Additional locations were transferred following PRC approval in subsequent Order No. 780, Order Approving Request to Transfer Additional Post Office Box Service Locations to the Competitive Product List, PRC Docket No. MC2011-25 (Jul. 29, 2011). At these locations, the Postal Service now provides some of the same services offered by its competitors. These “Additional Services,” which are available at Premium PO Box service locations (formerly referred to as “Move To Competitive” locations) for no additional fee above the PO Box fees, include a service called “Street Addressing.”

On February 14, 2013, language was added to the Mail Classification Schedule (MCS) describing the Street Addressing feature, including the option of receiving “packages from private carriers” (see Order No. 1657, Order on Elective Filing Regarding Post Office Box Service Enhancements, PRC Docket No. MC2012-26; MCS § 2640.1.g). In related proceedings, the Postal Service explained that the delivery of private carrier packages would provide a service frequently requested by its customers, addressing a concern posed by the fact that some eCommerce merchants will not ship to a PO Box address (See *id.* at 6). A description of the Street Addressing feature was subsequently added to

DMM 508.4.5.4.a, which states that customers who choose to use the street addressing designation also have the option of receiving packages from private carriers at the customer's Post Office Box address, if the packages conform to the maximum standards of 70 pounds in weight and 130 inches in combined length and girth. The street addressing feature may be used when the merchant or retailer does not accept the PO Box address format as a deliverable address.

When the Postal Service first introduced PO Box Street Addressing, there were very few private carriers or delivery competitors who would deliver packages to a PO Box customer. This made it simple for Premium PO Box Post Offices to accept and deliver packages that bore the street address equivalent of the PO Box address. They could easily recognize a private carrier, and accept and deliver the PO Box customer's packages with little concern as to whether the carrier was legitimate or the customer actually had requested that the package be delivered to the PO Box. However, as the shipping and delivery industry has evolved, so has the competition for last mile delivery.

Since the introduction of PO Box Street Addressing, a number of pilot efforts have aimed to reduce the delivery time of packages to the customer. These efforts include, but are not limited to, employees delivering packages using their personally owned vehicles, online retailers creating their own delivery operations, and retailers using crowdsourcing or taxi services to deliver packages. Where once the term "private carriers" would be commonly understood to include traditional shipping providers such as UPS and FedEx, now there are many more delivery options, including "regional" delivery

companies such as LaserShip and localized or crowdsourced delivery startups such as PostMates and Deliv. Not all employees or persons who might deliver a package to a PO Box wear uniforms or are readily identified as being associated with a legitimate “private carrier.” Nor do all items submitted for delivery meet the traditional definition of a “package” according to Postal Service mailability standards. As one example, some Post Offices have been asked to accept open, tote-style shopping bags containing merchandise, in lieu of a sealed box or envelope. Others have been presented with packages labeled only with the customer’s name but without the street address, and delivered by employees or contractors of a merchant with no clear indication of where the package originated.

As a practical matter, the advances in last mile delivery have created confusion as to who may deliver packages to a Premium PO Box customer when the customer uses the street address equivalent of their PO Box address to order merchandise. Therefore, the Postal Service seeks input on how the term “private carriers,” as used in DMM 508.4.5.4.a, should be defined, and how best to clarify that only properly sealed items mailed as a “package” may be delivered. These clarifications are necessary to ensure that Postal Service employees follow proper procedures, which helps prevent fraud and ensures the safety and security of customers and Postal Service personnel.

We will publish an appropriate amendment to 39 CFR part 551 if the Postal Service adopts any changes to the definition of “packages from private carriers,” as used in connection with Street Addressing, in DMM 508.4.5.4.a.

Ruth B. Stevenson,

Attorney, Federal Compliance.

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